



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 5, 2011

Rick Havenstrite
Desert Hawk Gold Corporation
7115 North Division Street, Suite B #351
Spokane, Washington 99208

Subject: Deficient Notice of Intention to Commence Small Mining Operations, Desert Hawk Gold Corporation, Yellow Hammer, S/045/0076, Tooele County, Utah

Dear Mr. Havenstrite:

On January 20, 2011, the Division sent a letter approving the Yellow Hammer Notice of Intention to Commence Small Mining Operations (NOI), conditional on modifications being made to the Yellow Hammer exploration permit E/045/0162. As of May 4, 2011, no modifications have been submitted for the Yellow Hammer exploration permit. There is currently a bond of \$12,300 for the exploration project. The requested modifications involved moving the revisions requested by Desert Hawk Gold Corp on April 5, 2010, from the Kiewit area back to the Yellow Hammer area to cover the current disturbance. There is currently a bond of \$12,300 for the Yellow Hammer Exploration permit which is enough to cover two acres of exploration disturbance.

The Division has reviewed the letter submitted by North American Exploration dated March 24, 2011. The letter is stamped by Jay Gatten, and notes that in his opinion the impact in Zones B and C was minimal and that most of the vegetation was not disturbed. The letter says plant densities resemble the surrounding vegetation community. No seed tags or pictures were attached to the letter. On March 30, 2011, the Division received a MR-REV form dated March 22, 2011, requesting pages 1, 2 and 8 replace existing pages 1, 2 and 8 in the NOI. The following items have been determined:

1. Page 1 received March 30, 2011, replaces page 1 approved October 5, 2009. The new page 1 changes the mailing address of Desert Hawk Gold Corp. This page has been approved and is attached for your records.
2. Page 2 received March 30, 2011, replaces page 2 approved October 5, 2009. The new page 2 changes some of the contact information. This page has been approved and is attached for your records.
3. Page 8 received March 30, 2011 replaces page 8 approved October 5, 2009. This page has NOT been approved. The reclamation of the B & C Zones is not adequate as shown in the pictures below. The following items need to be addressed:
 - a. The disturbances shown in photograph 1 below needs to be regraded and seeded.

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Rick Havenstrite
S/045/0076
May 5, 2011

- b. Map YH-1 at a scale of 1"=100' will either need to be replaced or removed. Additional bond in the amount of \$3,000 is needed until the seeding has 3 years of success. The success rate for the revegetation is to be 70% of premining vegetative ground cover that has survived for 3 growing seasons, as per R647-3-108 13.11. The additional bond consists of \$1,000 to mobilize and demobilize and \$1000 per acre to reseed. The reclamation seeding has not survived 3 years as shown in photograph 1 below. It is recommended that seed tags are submitted to the Division.



Photo 1. Area to be reseeded.



Photo 2. Area to be regraded and reseeded

Please also address the following:

- A change in address was submitted with the MR-REV on page 1 and page 2. As per rules R647-2-104, R647-3-105, and R647-4-104, please update all permits in the name of Desert Hawk Mining Corp. with the address

Please provide your response as replacement pages to your original NOI, using Form MR-REV-SMO/EXP, available on the Division's web site at www.ogm.utah.gov

If you have any questions regarding this letter, please call me at 801-538-5261 or Leslie Heppler at 801-538-5257. In reply, please refer to file number S/045/0076. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB:lah:eb

Enclosure: Two approved pages

P:\GROUPS\MINERALS\WP\M045-Tooele\S0450076-YellowHammer\final\DEFI-4058-05032011.doc

Assigned DOGM File No.: S 045/0076

DOGM Lead: _____

Permit Fee \$ 150.00 Ck # 10610

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

Note on confidentiality: Information provided in the notice of intention relating to the location, size, or nature of the mineral deposit that is clearly marked confidential will be protected as confidential. Each page or map requested to be kept confidential must be stamped or marked as such. The requested confidential information must describe how the confidential material relates to the location size or nature of the mineral deposit; provide a written claim of business confidentiality; and/or include a concise statement of reasons supporting the claim of business confidentiality, unless disclosing the location of explosives or historic, prehistoric, paleontological, or biological resource that must be considered confidential under statute.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at any time.

I. GENERAL INFORMATION (Rule R647-3-104)

1. Name of Mine: YELLOW HAMMER
2. Legal name of entity (or individual) for whom the permit is being requested: _____
DESERT HAWK GOLD CORP.
Mailing Address: 7115 N DIVISION STREET, SUITE B #351
City, State, Zip: SPOKANE, WA 99208
Phone: (509) 467-8204 Fax: (509) 468-1937
E-mail Address: BJorg53@yahoo.com

Type of Business: Corporation ☒ LLC () Sole Proprietorship (dba) ()
Partnership () General _____ or _____ limited
Or:
Individual ()

Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) www.commerce.utah.gov.

Are you currently registered to do business in the State of Utah? ☒ Yes G No

Entity # 7378396-0143

If no, contact www.commerce.utah.gov to renew or apply.

Local Business License # _____ N/A (if required)

Issued by: County _____ or City _____

APPROVED

MAY 05 2011

DIV OF OIL GAS & MINING

RECEIVED

MAR 30 2011

DIV OF OIL GAS & MINING

3.

Contact Person(s)

Name: Rick Havenstrite Title: President
 Address: 1290 HOLCOMB AVENUE
 City, State, Zip: RENO, NV 89502
 Phone: (775) 337-8057 Fax: (775) 322-4621
 Emergency, Weekend, or Holiday Phone: (775) 848-5193
 E-mail Address: RickH@ODCNV.com

Contact person to be notified for: permitting ☒ surety ☒ Notices ☒ (please check all that apply)

Name: Rick Havenstrite Title: President
 Address: 1290 HOLCOMB AVENUE
 City, State, Zip: RENO, NV 89502
 Phone: (775) 337-8057 Fax: (775) 322-4621
 Emergency, Weekend, or Holiday Phone: (775) 848-5193
 E-mail Address: RickH@ODCNV.com

Contact person to be notified for: permitting ☒ surety ☒ Notices ☒ (please check all that apply)

Registered Utah Agent (as identified with the Utah Department of Commerce) (if individual leave blank):

Name: Ronald Vance
 Address: 1658 Reunion Ave., Suite 250
 City, State, Zip: South Jordan, UT 84095
 Phone: (801) 446-8802 Fax: (801) 446-8803
 E-mail Address: RNVANCE@USLAW.COM

4.

If Business is a Sole Proprietor:

Name of Owner: _____ Title: _____
 Business Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 E-mail Address: _____

If Business is a Corporation:

Name of Officers: Bob Jorgensen Title: CFO and CEO
Rick Havenstrite Title: President
 _____ Title: _____
 _____ Title: _____
 Headquarters Address: 7115 N Division Street, Suite B #351
 City, State, Zip: Spokane, WA 99208
 Headquarters Phone: (509) 467-8204 Fax: (509) 468-1937
 E-mail Address: bjorg53@yahoo.com

If Business is a Limited Liability Company: Member Managed G Manager Managed G

Name of 1st Member/Manager: _____ Title: _____
 Business Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 E-mail Address: _____

Name of 2nd Member/Manager: _____
 Business Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 E-mail Address: _____